

Baseline Measurement of State Human Resource Processes

Project Charter

FINAL



Washington State Department of Personnel



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1. INTRODUCTION

This document is the Project Charter for the Department of Personnel (DOP) Baseline Measurement of State Human Resource Processes. The Project Charter is the first project deliverable from the Sierra Systems Group/Mercer, Inc. project team.

1.1. Purpose of the Project

The purpose of this project is to establish baseline measurements and benchmarks for State of Washington ("State") human resource processes in 2003, and follow-up measurements approximately 36 months later.

1.2. Executive Summary

The following table provides a high-level overview of the material covered in the Baseline Measurement of State HR/Payroll Processes project charter.

Project Name	Baseline Measurement of State HR/Payroll Processes	
Project Goal	Establish internal baseline measurements and external benchmarks for State of Washington ("State") human resource and payroll processes	
Project Scope	Measurement and benchmarking of Human Resource and Payroll processes for 12 State of Washington agencies	
Deliverables	<ul style="list-style-type: none">• Project charter and detailed project plan• Summary of raw data from Operations Scanner• Summary of raw data from process/technology owner interviews• Proposed benchmarks• Report of findings and recommendations• Remeasure report of findings and progress	
Project Working Team	Doug Tanabe, DOP Ginny Dale, DOP Mary Campbell, Governor's Office Kathy Rosmond, OFM Thy Nguyen, OFM Susan Myette, Mercer Les Scott, Sierra Systems	
Start Date	Baseline: July 16, 2003	Follow-up: TBD, 2006
End Date	Baseline: November 30, 2003	Follow-up: TBD, 2006
Critical Success Factors	Clear stakeholder expectations Adequate resource allocation Agency support/Completeness of data gathered	



Transition from measurement and analysis to designing and implementing change

Related Projects

HRMS implementation

Civil Service Reform

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Introduction



2. PROJECT SCOPE AND OBJECTIVES

2.1. Project Scope and Objectives

The scope for this project is the measurement and benchmarking of Human Resource processes for 12 State of Washington agencies. Baseline measurements will be established in the fall of 2003, with follow-up measurements scheduled approximately 36 months later.

The objective of establishing baseline measurements for State human resource processes is to provide current performance metrics and the ability to measure ongoing improvements in those processes. Comparing the State's HR/Payroll processes and services with best practices will provide DOP with timely and helpful advice on steps that can be taken to achieve both "quick hits" and long-term improvements in the State's "back office" business processes. Specifically, the findings from this study will be used:

- as input to the design and implementation of HR information systems,
- to identify processes that are overly complex, cumbersome, or duplicative and
- to quantify the opportunities for improvement among the various processes measured.

2.2. Out-of-Scope

Potential services that fall outside the scope of this project include:

- Measurement and/or benchmarking of non Human Resource processes
- Collection of baseline data from more than 12 agencies
- More than 15 interviews and/or focus groups with process/technology owners
- Deliverables and/or presentations other than those specified in the work plan
- More than one follow-up measurement of HR/Payroll processes

2.3. Constraints

Project constraints include resources and timing.



The measurement and benchmarking findings will be important inputs to the HRMS blueprinting process scheduled to begin in November, 2003. No other constraints have been identified at this time.

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Project Scope and
Objectives



3. PROJECT STRUCTURE AND STAFFING

3.1. Stakeholders

Stakeholders include individuals or groups who will review and/or utilize the report of findings and recommendations, as well as those who may be affected by the outcome of the project. Specific stakeholder groups are listed below, along with their expectations.

Stakeholder	Expectations
Executive Sponsors (Governor's Office, DOP, OFM)	Desensitize people to the idea of enterprise process measurement Useful output (e.g., prioritized opportunities for process improvement, process cost data to support systems implementation) Identification of best practices
HR 2005 Project Teams (DOP Civil Service Core Team, HRMS Implementation Project Team)	Review baseline results and recommendations Utilize results and recommendations to consider opportunities for process improvement, and to provide input to HRMS configuration
Participating Agencies (Deputy Directors, HR Managers, Quality Coordinators, HR/Payroll staff)	Efficient data collection process Sensitivity to other demands on agency staff, including Civil Service reform and collective bargaining Useful output Availability of agency-specific data
Others who may use findings (Information Services Board, Agency IT Managers)	Useful output, including comparison of baseline and follow-up measures

3.2. Project Staffing Plan

The following describes staffing requirements by role, as well as identifies the individuals that will work on the engagement/project.

Role	Assigned To
Executive Sponsors	Gene Matt, DOP Marty Brown, OFM Mary Campbell, Governor's Office
Project Sponsor	Sharon Whitehead, DOP
Sierra/Mercer Partners-in-Charge	Peter Barlow, Sierra Systems Sue Reed, Mercer



Project Working Team

Doug Tanabe, DOP
Ginny Dale, DOP
Mary Campbell, Governor's Office
Kathy Rosmond, OFM
Thy Nguyen, OFM
Susan Myette, Mercer
Les Scott, Sierra Systems

Project Managers

Doug Tanabe/Ginny Dale, DOP
Susan Myette, Mercer

Agency Coordinators

Renee Zirkle, AG
Cyndy Putscher, GA
Tom Georg, DOC
Shalice Ando, DIS
Ellen Freeman, ES
April Thompson, DOR
Virginia Sunde, DOL
Lisa Benavidez, L&I
Debb Chavira, WSP
Laura Kirschner, State Printer
Susan Latham, OFM
Kerry Longhorn, DOP

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3.3. Roles, Responsibilities, Accountabilities, and Authorities

The following table describes the key responsibilities, accountabilities and authorities for the key project roles of the Baseline Measurement of State HR/Payroll Processes project.

Project Working Team

1. Approve project charter and identify project's critical success factors:
 - Review project charter and approve its use; communicate or distribute widely for information to stakeholders
 - Identify those factors that can be evaluated and/or measured, and constitute success of the project
2. Review project plans/phases in sufficient detail to ensure the following:
 - Start and end dates are within acceptable limits
 - Internal resource commitments can be achieved
 - All deliverables are specified



Project Structure
and Staffing

- An adequate number of milestones have been identified to monitor and measure project progress
 - Work breakdown structures are specified to an acceptable level of detail, usually one week or less per task, to facilitate early identification of schedule slippage
3. Review and monitor project progress:
 - Review project status reports
 - Provide approval/acceptance authority and sign-off, as required, for milestone/deliverable completion
 - Provide approval authority for scope management, major change control, and issues management items, and provide additional funds as required
 - Remove obstacles to project progress
 4. Support the assignment of appropriate resources from the affected business areas
 5. Ensure commitment of all project participants
 6. Escalate major issues and report status to the project sponsor

Project Sponsor	Maintains ultimate authority over, and responsibility for, the project Resolves issues that cannot be resolved by the Project Managers Approves/disapproves proposed changes in project scope
DOP Project Manager	Serves as member of the Project Working Team Manages the project team's efforts on a day-to-day basis, in coordination with the Sierra Systems/Mercer Project Manager Makes agency resources available Coordinates responsibilities, accountabilities, and authority with Sierra Systems/Mercer Project Manager Ensures project remains on-track from the client's perspective, and identifies and raises issues as required
Sierra Systems/Mercer Project Manager	Serves as member of the Project Working Team Manages the project team's resources on a day-to-day basis Coordinates responsibilities, accountabilities, and authority with DOP Project Manager Participates daily in the project Approves work products Administers issues and change requests Performs project management processes Develops project charter and project plan Executes formal reviews (i.e., quality management) Tracks action items and budgets
Project Team	Consists of Project Working Team plus the following:



- Sierra Systems/Mercer Partners-in-Charge
- Agency business consultants responsible for coordinating the gathering of baseline measurement data for State Agency HR/Payroll Processes

Project team members are responsible for performing tasks assigned by the Project Managers, as well as ensuring issues are raised

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4. PROJECT APPROACH AND DELIVERABLES

The general project approach is described below. A complete project plan, with detailed work breakdown structures and dates, is attached.

4.1. Summary of Project Approach

Mobilize	Measure	Analyze	Remeasure
<ul style="list-style-type: none"> Confirm project objectives, scope and timing Identify and engage participating agencies Draft project control documents Hold project kick-off meeting 	<ul style="list-style-type: none"> Customize Operations Scanner to reflect scope of State of Washington HR and Finance work Administer Operations Scanner® to participating agencies Carry out benchmarking and best practice research Conduct interviews with process and technology owners 	<ul style="list-style-type: none"> Analyze findings: <ul style="list-style-type: none"> Operations Scanner® Throughput data Benchmarking and best practice research Process and technology owner interviews Develop report of findings and recommendations Present report to DOP and OFM 	<ul style="list-style-type: none"> Remeasure <ul style="list-style-type: none"> Operations Scanner Throughput data Benchmarking and best practices Report findings
Approximate timing: 4 weeks	Approximate timing: 12 weeks	Approximate timing: 6 weeks	Approximate timing: 6 weeks
Deliverables:	Deliverables:	Deliverables:	Deliverables:
<ul style="list-style-type: none"> Project charter Detailed project plan 	<ul style="list-style-type: none"> Summary of raw data from Operations Scanner and process/technology owner interviews Proposed benchmarks 	<ul style="list-style-type: none"> Report of findings and recommendations 	<ul style="list-style-type: none"> Comparison report



4.2. Project Deliverables

Deliverable	Content & Format	Delivery Mechanism
Mobilize		
Project charter	<ul style="list-style-type: none"> • Project objectives • Project scope • Assumptions • Roles and responsibilities • Project communication and reporting • Project critical success factors • Deliverables 	<ul style="list-style-type: none"> • Document Deliverable
Detailed project plan	<ul style="list-style-type: none"> • Task list • Resource allocation • Dependencies • Start & end dates 	<ul style="list-style-type: none"> • Document Deliverable • Oral Briefing/ Presentation
Measure		
Summary of raw data from Operations Scanner	<ul style="list-style-type: none"> • Time, cost and FTEs allocated to each HR/Payroll function (e.g., Staffing) • Time, cost and FTEs allocated to each HR/Payroll role (e.g., Delivering Services) • Time, cost and FTEs allocated to each HR/Payroll process (e.g., Department Management) 	<ul style="list-style-type: none"> • Document Deliverable
Summary of raw data from process/technology owner interviews	Summary of information provided by interviewees regarding: <ul style="list-style-type: none"> • Process flows, efficiency, automation, and integration • Data accuracy, completeness, flows, and automation • Performance targets, metrics, and management • Technology platforms, applications, performance, functionality, integration, customization, access, user acceptance, training and support • Sourcing arrangements, service level agreements, performance, and costs 	<ul style="list-style-type: none"> • Document Deliverable
Proposed benchmarks	List of proposed internal and external measures to gauge State of Washington HR/Payroll efficiency and effectiveness, and measure improvements going forward	<ul style="list-style-type: none"> • Document Deliverable • Oral Briefing/ Presentation



Deliverable	Content & Format	Delivery Mechanism
Analyze		
Report of findings and recommendations	<p>Detailed analysis of current state of HR/Payroll processes, including:</p> <ul style="list-style-type: none">• Time, cost and FTEs allocated to each HR/Payroll function, role, process and activity• Analysis of mission focus, job complexity, work overlap and process fragmentation• Comparison of baseline cost and throughput measures to external benchmarks• Missing or inadequate functionality in HR/Payroll information systems• Comparison of State of Washington processes to HR/Payroll best practices for public and private sector• Recommended process improvements and technology enhancements• Recommended methodology for monitoring HR/Payroll performance on an ongoing basis prior to a formal follow-up study	<ul style="list-style-type: none">• Document Deliverable• Oral Briefing/Presentation
Remeasure		
Report of findings and progress	<p>Quantification of improvements from the baseline measurement in:</p> <ul style="list-style-type: none">• The amount of time, cost and FTEs allocated to each HR/Payroll function, role, process and activity• Mission focus, job complexity, work overlap and process fragmentation• Process throughput• Cost and throughput relative to external benchmarks	<ul style="list-style-type: none">• Document Deliverable• Oral Briefing/Presentation



4.3. Project Management and Communication

Effective project management is critical to the success of any project. The project approach is supported by a well-defined set of project management activities, which include the following:

4.3.1. Project Planning

The project plan outlines the activities required to produce the deliverables, and ensures these activities are clearly defined, accurately estimated, and managed at an appropriate level of detail. Each activity will be assigned to a person responsible for ensuring it is completed successfully. The project plan will be updated throughout the project, as new information becomes known. The Sierra Systems/Mercer Project Manager will be responsible for ensuring Sierra Systems/Mercer and DOP have a complete and up-to-date understanding of the status of the project.

4.3.2. Communication

To ensure consistent understanding of the status of the project, regular progress reports will be prepared and distributed to the Project Working Team. The progress reports will include descriptions of activities completed during the previous period, activities anticipated for the following period, and issues and problems requiring resolution. Where changes are required to the schedule or plan, revised reports will be attached to the progress report.

In addition to progress reporting, meetings will be conducted with the Project Team on approximately a weekly basis. During these meetings, each team member will provide an update of progress made on their activities as well as the estimated completion dates. Any issues and concerns identified during these meetings will be documented in the progress reports.

4.3.3. Quality Assurance Reviews

All deliverables will be assessed by an independent reviewer who is a non-project team member from Sierra Systems/Mercer. This practice ensures all items delivered by the team are clear, concise, and of the highest possible quality.

4.3.4. Risk and Issue Management

A risk or issue refers to any matter that may impede project progress, and about which no agreement has been reached.



Areas of project risk will be identified and documented, and the Project Working Team will establish preventative and contingency actions to address the risk. These actions are continually built back into the project plan.

The Project Working Team is expected to raise and resolve project issues and maintain a central project issue log. The Sierra Systems/Mercer Project Manager will own the central issue log and will assign responsibility for the resolution of project issues and report progress to the project team. Most project issues are expected to be resolved within the overall project team. Issues that require resolution external to the project will need to be assigned to the appropriate external resource and monitored by the Sierra Systems/Mercer Project Manager and DOP Project Manager. If the issues are not resolved to the satisfaction of the project team, they may need to be escalated to the Project Sponsor.

4.3.5. Change Control

To ensure timely and effective delivery of the project, scope will be tightly managed. A change refers to any modification and/or new requirement deviating from the baseline established in the project charter and project plan. Change control refers to the process by which all modifications to the project plan, scope or deliverables are evaluated and approved. Change requests can be raised by any member of the project team.

The steps below will be followed to assess and resolve change requests, with any approved changes to the baseline approach documented in this Project Charter.

- The change control process begins with a team member identifying a project requirement not already identified as part of the baseline approach.
- The person requesting the change will complete a change request form and forward it to the Sierra Systems/Mercer Project Manager to determine impact on costs and schedule; once cost and schedule impacts are determined, approval by the Sierra Systems/Mercer Project Manager and DOP Project Manager is required.
- Once approved by the Project Managers, the change request is entered into the change control log, and is placed on the agenda for the next Project Working Team meeting.
- The Project Working Team reviews the change request and makes a recommendation.
 - Any impact to the cost, schedule, and/or resources, will be elevated to the Project Sponsor for review and approval.
 - If there is no impact to cost, schedule, and/or resources, and the change is within the current scope of the project, the Project Working Team has the authority to approve, defer or reject the change request.



5. PROJECT CRITICAL SUCCESS FACTORS

Identification of critical success factors is an important part of project planning. The table below summarizes the critical success factors identified for this project, the associated risks, and the risk prevention/mitigation strategy.

Critical Success Factor	Associated Risk	Risk Prevention/Mitigation Strategies
Clear stakeholder expectations	Final report may not address all concerns, leading to requests for more reports outside the scope of the agreed upon deliverables	Identify key stakeholders and their expectations during project mobilization Validate expectations as needed
Adequate resources dedicated to this project	Inadequate resources will delay project completion or jeopardize the quality of the work	Be clear about project staffing requirements Assign project team members with appropriate skills and availability Minimize the time requirements of agency staff
Agency support/ Completeness of data gathered	Low Scanner participation may make comparisons to follow-up measures invalid and cause conclusions regarding improvement opportunities to be off target If information gathered from process/technology owners is not of sufficient breadth and depth, it will be difficult to draw useful conclusions	Engage Deputy Directors and work with them to identify Agency Business Consultants Select Agency Business Consultants with the ability to influence staff participation Engage Agency Business Consultants in finalizing the data collection process Minimize the time requirements of Agency staff through efficient processes Use effective communications to show value of this project and address concerns Provide a 2-week window for Scanner survey completion to accommodate vacations Communicate Scanner response rates in a motivating way, with copies to Deputy Directors and HR Managers Interview small groups of process/technology owners if necessary to cover breadth and depth of information required
Transition from measurement and analysis to designing and implementing changes	Data and analyses are not acted on and little improvement is shown in the follow-up measurement	Ensure that stakeholder expectations are clear (see above) Present findings in an actionable manner and make clear recommendations regarding improvement opportunities

6. ASSUMPTIONS

The assumptions below have been made in the planning of this project. Changes to these assumptions will normally result in either a change request (see Change Control) or issue item (see Issue Management) being generated.

Assumptions	
1.	Participating agencies will be: <ul style="list-style-type: none">• Office of Financial Management• Department of Personnel• Office of the Attorney General• General Administration• Dept. of Corrections• Dept. of Information Services• Employment Security• Dept. of Revenue• Dept. of Licensing• Labor & Industries• Washington State Patrol• Dept. of Printing
2.	HR/Payroll processes to be measured include the following categories: <ul style="list-style-type: none">• Staffing• Organizational development• Training “owned” -- developed and/or delivered -- by HR (e.g., does not include technology training provided by IT staff)• Employee/labor relations• Compensation• Benefits• HRIS/HR applications• Time & attendance• Payroll• Health, safety & security• HR department management



Appendix A. Project Issues Log

The Issues Log will be used to track project issues and risks. The issue log below represents the current project issue log at the time that the Project Charter deliverable was finalized. This log will be updated regularly throughout the project.

Issue #	Open date	Description	Owner	Target date	Priority	Status	Resolution
1	7/16/03	Training is delivered to agency employees through many channels in addition to HR. We need to define clearly what training is included, to stay within the project scope and to enable agencies to identify the appropriate Scanner respondents.	Susan	7/28/03	High	Recommendation made 7/28	Recommendation: The development and delivery of training by DOP or agency HR staff is in scope. Training development or delivery by non DOP or HR staff is out of scope (e.g., technology training delivered by IT).

Issue #	Open date	Description	Owner	Target date	Priority	Status	Resolution
2	7/16/03	<p>Time & attendance processes are important o benchmark because they are likely to improve significantly with new technology. In some agencies, timekeeping is done outside of HR. We need to determine</p> <ul style="list-style-type: none"> - whether this is within scope - what is the best method for collecting data from non-HR staff performing the timekeeping process - how to take a valid timekeeping sample for DSHS, since there may be as many as 1,000 individuals 	Susan	7/28/03	High	Resolved	<p>We will include non-HR timekeepers in the Scanner survey process.</p> <p>We will add an activity item called "other non-HR tasks" so that these participants' time allocation will total 100%.</p> <p>Sampling is a non-issue, as DSHS has declined to participate.</p>
3	7/22/03	<p>The Attorney General's office has expressed interest in participating in the project. This would be a scope expansion and requires a change request if pursued.</p>	Doug	7/31/03	High	Resolved	<p>DSHS has declined to participate. The Attorney General's Office will be the 12th participating agency.</p>

Issue #	Open date	Description	Owner	Target date	Priority	Status	Resolution
4	7/24/03	Eric Hoppe, Sr. Process/Technology Consultant, has left Sierra's Seattle office and will not be able to serve on the project team.	Peter	7/31/03	High	Solution proposed 7/24	Proposed solution: Replace Eric with Les Scott, who has similar process and technology expertise and experience working with the State on other projects. Doug and Mary will meet with Les
5							

Appendix B. Project Charter Revision Log

Revision Date	Description	By Whom
July 28, 2003	Draft	Susan Myette
August 7, 2003	Final	Adelle Carlson/ Peter Barlow